

EXHIBIT O

**10/28/09 STATEMENT OF
IRVING H. PICARD
COURT-APPOINTED TRUSTEE,
BERNARD L. MADOFF INVESTMENT SECURITIES
LLC (BLMIS)**

GOOD MORNING.

WELCOME TO THIS NEWS CONFERENCE.

**MY NAME IS IRVING H. PICARD. I AM THE COURT-
APPOINTED TRUSTEE FOR THE LIQUIDATION OF
BERNARD L. MADOFF INVESTMENT SECURITIES
LLC...WHICH I WILL REFER TO AS B-L-M-I-S OR
MADOFF. I ALSO AM A PARTNER IN THE LAW FIRM
OF BAKER & HOSTETLER LLP.**

**AS YOU HAVE HEARD, I AM JOINED TODAY BY
SECURITIES INVESTOR PROTECTION
CORPORATION PRESIDENT STEPHEN HARBECK.**

**WE WILL BOTH MAKE BRIEF OPENING STATEMENTS
AND THEN TAKE YOUR QUESTIONS.**

**OUR PURPOSE TODAY IS TO GIVE YOU A DETAILED
UPDATE ON THE MADOFF LIQUIDATION
PROCEEDING – PRIMARILY CUSTOMER CLAIMS
INFORMATION THAT IS NEW AND HAS NOT YET
BEEN DISCLOSED PUBLICLY.**

**WHAT WE ARE REALLY HERE TODAY TO TALK
ABOUT ARE MAJOR "MILESTONES" – ONE IN
RELATION TO THE MADOFF PROCEEDING AND ONE
IN RELATION TO SIPC HISTORY. I WILL FOCUS ON
THE FORMER AND STEVE HARBECK WILL ADDRESS
THE LATTER.**

**I AM REPORTING TO YOU ON THE ACHIEVEMENT OF
A MAJOR MILESTONE IN THE MADOFF LIQUIDATION
PROCEEDING: OVER HALF A BILLION DOLLARS IN
SIPC ADVANCES HAVE BEEN COMMITTED SO FAR
TO MADOFF CUSTOMERS.**

**AS OF NOON EASTERN TIME YESTERDAY THE
TOTAL AMOUNT OF SIPC ADVANCES COMMITTED
TO CUSTOMERS IN THE BLMIS LIQUIDATION
PROCEEDING HAS TOPPED HALF A BILLION
DOLLARS.**

**I WILL TURN TO CUSTOMER ACCOUNT AND CLAIMS
INFORMATION.. OVER THE LIFE OF BLMIS, WE HAVE
DETERMINED THAT THERE WERE 8,095 CUSTOMER
ACCOUNTS, OF WHICH 4,903 WERE ACTIVE ON
DECEMBER 11, 2008.**

**BASED ON THE MONEY IN/MONEY OUT
METHODOLOGY WE ARE USING, 2,335 ACCOUNTS
OF THE 4,903 HAD NET LOSSES OF
APPROXIMATELY \$21.2 BILLION, AND 2,568
ACCOUNTS RECEIVED MORE THAN WAS
DEPOSITED.**

AS OF JULY 2, 2009, THE STATUTORY BAR DATE, WE RECEIVED 15,910 CUSTOMER CLAIMS. AFTER THAT DATE, WE HAVE RECEIVED AN ADDITIONAL 64. THAT IS A TOTAL OF 15,974 CUSTOMER CLAIMS.

OF THE 2,335 "NET LOSER" ACCOUNTS, WE RECEIVED CLAIMS FOR 2,275 ACCOUNTS. 59 ACCOUNT HOLDERS DID NOT FILE CLAIMS. WE HAVE DETERMINED AND ALLOWED 1,558 DIRECT CLAIMS INCLUDING DUPLICATES ASSOCIATED WITH 1,368 OF THE 2,276 NET LOSER ACCOUNTS. THAT IS, WE HAVE DETERMINED AND ALLOWED THE CLAIMS FOR 56.5% OF THOSE ACCOUNTS. WE ALSO HAVE DETERMINED AND DENIED 1,303 CLAIMS. THUS, TO DATE, WE HAVE DETERMINED 2,861 DIRECT CUSTOMER CLAIMS.

ONE WORD OF CAUTION, I EXPECT THAT THESE CUSTOMER CLAIM STATISTICS, INCLUDING THE NUMBER OF CLAIMS FILED, WILL CHANGE AS WE CONTINUE TO REVIEW AND EVALUATE THEM. FOR

EXAMPLE, WE ARE FINDING THAT MORE THAN ONE CLAIM MAY HAVE BEEN CLIPPED TOGETHER AND CONTINUE TO GET MORE VISIBILITY INTO ACCOUNT HISTORIES.

WE HAVE RECEIVED IN EXCESS OF 11,000 INDIRECT CUSTOMER CLAIMS. THEY INCLUDE CLAIMS FROM INVESTORS IN FEEDER FUNDS, IN VARIOUS ENTITIES AND WHERE MORE THAN ONE PERSON HAS FILED A CLAIM FOR ONE ACCOUNT.

LET ME GIVE YOU SOME MORE SPECIFIC DETAIL. SIPC COMMITTED ADVANCES FOR THE ALLOWED CUSTOMER CLAIMS FOR 1,368 ACCOUNTS TOTAL \$534,250,113.22. THAT'S \$534.25 MILLION.

YOU WILL HEAR FROM STEVE HARBECK IN A MOMENT. HE WILL PUT THAT INTO PERSPECTIVE FOR YOU IN TERMS OF SIPC HISTORY.

I WANT TO MAKE CLEAR THAT THE \$534.25 MILLION IN SIPC COMMITTED ADVANCES FOR THE ALLOWED CUSTOMER CLAIMS THAT HAVE BEEN DETERMINED IS A SUBSET OF THE TOTAL ALLOWED CLAIM FIGURE OF \$4.43 BILLION.

TO THE EXTENT THAT WE RECOVER CUSTOMER PROPERTY FROM WHATEVER SOURCE, WE WILL BE ABLE TO MAKE PRO RATA DISTRIBUTIONS AGAINST THAT LARGER ALLOWED CLAIM TOTAL.

IN CLOSING, I WANT TO EMPHASIZE HOW PLEASED I AM TO BE ABLE TO REPORT THAT WE HAVE MADE SIGNIFICANT HEADWAY IN RECENT MONTHS IN THE PROCESSING OF BLMIS CUSTOMER CLAIMS UNDER WHAT HAVE BEEN VERY CHALLENGING CIRCUMSTANCES.

WITH MORE THAN \$4.43 BILLION IN CUSTOMER CLAIMS ALREADY ALLOWED AND ADVANCES OF OVER HALF A BILLION COMMITTED BY SIPC, MY

**STAFF CONTINUES TO WORK TIRELESSLY TO
ENSURE THAT EVERY BLMIS CUSTOMER WITH A
VALID CLAIM IS GIVEN FULL CONSIDERATION AND
HANDLED AS EXPEDITIOUSLY AS POSSIBLE.**

**THAT WILL CONTINUE TO BE OUR FOCUS IN THE
COMING WEEKS AND MONTHS.**

**THAT CONCLUDES MY OPENING REMARKS. I LOOK
FORWARD TO TAKING YOUR QUESTIONS.**



Madoff Trustee Advances \$534 Million to Customers (Update3)

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By Erik Larson

Oct. 28 (Bloomberg) -- The liquidator for **Bernard Madoff's** firm approved initial repayments of \$534.2 million to 1,558 victims who invested directly with the con man's firm. Another 1,303 victims had their claims denied.

The payments are advances on the group's allowed claims of \$4.43 billion, trustee **Irving Picard** said today in a conference call. Verified losses from the fraud now exceed \$21 billion, he said.

"We have made significant headway in recent months in processing customer claims in challenging circumstances," said Picard, hired by the Securities Investor Protection Corp. to wind down Bernard L. Madoff Investment Securities LLC. "We are handling these claims as expeditiously as possible."

About 16,000 have been filed since Madoff's Dec. 11 arrest for running a \$65 billion Ponzi scheme, Picard said. The sum includes more than 11,000 indirect claims from investors whose money went to Madoff through third-party entities, such as hedge funds.

Picard's team has recovered about \$1.4 billion in assets to repay victims, and filed so-called clawback lawsuits seeking the return of about \$15 billion in fake profit from Madoff's biggest investors and beneficiaries. More suits will be filed, he said. Victims with allowed claims will receive a share of the money Picard recovers.

\$21.2 Billion Loss

Picard's method for calculating claims, using cash deposits minus withdrawals, triggered objections in U.S. Bankruptcy Court in New York. Many victims want years' worth of fake profit included in their claims. A judge will decide if his methodology is correct at a hearing scheduled for Feb. 2.

Madoff's fraud resulted in an actual loss of \$21.2 billion for 2,335 accounts, Picard said. The previous number of about \$13 billion came from records in the criminal case in June and applied to fewer accounts, he said. The figure could rise as more data is uncovered.

Over the life of Madoff's New York-based company, there were about 8,000 accounts, of which about 4,900 were active when the fraud collapsed, Picard said. More than 2,500 customers took more money than they deposited and may be sued, he said.

Review Accounts

"Over the next six to nine months, we're going to be taking a very close look at those accounts on an individual basis," Picard said. "We're not going to be suing people who don't have money."

Picard's team had reviewed claims as far back as 1983, and plans to review accounts from the 1970s by analyzing Madoff records on microfilm and microfiche, he said.

Madoff, 71, pleaded guilty to the fraud and is serving a 150-year sentence.

The bankruptcy case is already bigger than all 321 SIPC liquidations performed since 1970, when Congress passed the law that creating the entity, SIPC President **Stephen Harbeck** said. SIPC is funded by the brokerage industry.

The case is Securities Investor Protection Corp. v. Bernard L. Madoff Investment Securities LLC, 08-01789, U.S. Bankruptcy Court, Southern District of New York (Manhattan).

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Last Updated: October 28, 2009 14:11 EDT

